

F-7683

IN THE MATTER OF  
THE LICENSE OF  
WALLACE TOWNSEND-PARCHMAN, M.D.

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BEFORE THE  
TEXAS STATE BOARD  
OF MEDICAL EXAMINERS

ORDER

On this the 10th day of April, 1999, came on to be heard before the Texas State Board of Medical Examiners ("the Board" or "the Texas Board"), duly in session the matter of the license of Wallace Townsend-Parchman, M.D. ("Respondent"). On January 6, 1999, Respondent appeared in person, without counsel, before a representative of the Board to report on and address issues related to Respondent's compliance with the terms and conditions of an Order entered on November 22, 1997 and pertaining to Respondent's Texas medical license F-7683.

The Board was represented at Respondent's appearance by Paul G. Meyer, M.D., a member of the Board. By the signature of Respondent on this Order, Respondent waived the right to an Informal Settlement Conference/Show Compliance Proceeding and instead agrees to the entry of this Order to resolve the matters addressed herein. Upon recommendation of the Board's representative, and with the consent and request of Respondent, the Board makes the following findings of fact and enters this Order as set forth herein:

FINDINGS OF FACT

A. On November 22, 1997, the Board entered an Order, which restricted Respondent's Texas medical license under certain terms and conditions for five (5) years from the date of the signing by the presiding officer of the Board. The Order was based on the following Findings of Fact.

1. Respondent, Wallace Townsend-Parchman, M.D., holds Texas medical license F-7683.

2. The Board has jurisdiction over the subject matter and Respondent. Respondent received all notice which may be required by law and by the rules of the Board. All jurisdictional requirements have been satisfied.
3. Respondent has been licensed to practice medicine in Texas for approximately 19 years.
5. Respondent is 44 years of age.
6. In or about October of 1995, Respondent began treating patient P.O. During the course of treatment of patient P.O., Respondent exhibited inappropriate behavior towards P.O., including sexual innuendo, giving gifts or favors to the patient, and discussing his own personal and psychiatric problems.
7. Respondent's treatment of patient P.O. crossed appropriate physician-patient boundaries.
8. In June of 1989, Respondent was diagnosed with bipolar disorder and is currently under the care of David Tyler, M.D., a Dallas, Texas psychiatrist. Respondent is currently on lithium carbonate 1800 mg. per day and occasional antidepressants. Respondent is also seeing a clinical psychologist for counseling.
9. Respondent now realizes the inappropriateness of his treatment of patient P.O..
10. Respondent has not previously been the subject of disciplinary action by the Board.

B. The terms and conditions required by the November 22, 1997 Order included but were not limited to:

- "8. Respondent shall not perform psychotherapy on patients."
- "15. Respondent shall comply with all the provisions of the Medical Practice Act ("the Act"), V.A.C.S., article 4495b, and other statutes regulating the practice of medicine, as is required by law for physicians licensed by the Board."

“17. Any violation of the terms, conditions, or requirements of this Order by Respondent shall constitute a basis for disciplinary action by the Board against Respondent pursuant to the Sections 3.08, 4.01, and 4.11 of the Act. Any violation of the terms, conditions, or requirements of this Order by Respondent shall constitute evidence of unprofessional or dishonorable conduct likely to deceive or defraud the public or injure the public.”

C. Respondent reported to Board staff that he has billed Blue Cross / Blue Shield for psychotherapy since November 22, 1997.

D. The providing of psychotherapy, or the billing for psychotherapy not performed, is a violation of the Order.

E. Respondent reports that he has provided no psychotherapy in violation of the Order, that the billing referenced to in above paragraph “C” was erroneous, and was done as a result of his staff’s misunderstanding of proper billing codes.

F. Respondent has cooperated with Board staff in the investigation of the allegations related to this Order.

### CONCLUSIONS OF LAW

Based on the above findings of fact, the Board concludes the following:

1. Respondent has violated Section 3.08(4) of the Medical Practice Act (“the Act”), V.A.C.S., article 4495b, which authorizes the Board to take disciplinary action against Respondent based on Respondent’s unprofessional or dishonorable conduct that is likely to deceive or defraud the public or injure the public.

2. Section 4.02(h) of the Act authorizes the Board to resolve and make a disposition of this matter through an agreed Order.

3. Section 4.12 of the Act authorizes the Board to impose the remedial measures set forth below.

4. Section 4.11(c) of the Act authorizes the Board to impose disciplinary action, in addition to or in lieu of enforcing the original order, upon proof of a violation of the order

### ORDER

Based on the above Findings of Fact and Conclusions of Law, the Board ORDERS that Respondent's Texas license is hereby SUSPENDED; however, the suspension is STAYED and Respondent is placed on PROBATION under the following terms and conditions for five (5) years from the date of the signing of this Order by the presiding officer of the Board:

1. Except as otherwise provided for by the terms of this Order, Respondent shall not treat or otherwise serve as a physician for Respondent's immediate family, and Respondent shall not prescribe, dispense, administer or authorize controlled substances, dangerous drugs with addictive potential or potential for abuse, or alcohol to Respondent or Respondent's immediate family. Respondent may self-administer or administer to Respondent's immediate family only such drugs and alcohol as prescribed by other physician for a legitimate medical purpose and in compliance with the orders and directions of such physician.

2. Respondent shall submit in writing to the Director of Compliance of the Board the names of three (3) American Board Certified psychiatrists for the Executive Director's approval and, when such approval is received, shall expeditiously submit himself for evaluation and treatment by the approved psychiatrist. Respondent shall follow the psychiatrist's recommendations, if any, regarding continuing care and treatment and shall see the approved psychiatrist for follow-up care and counseling at least once each month.

The Board and Respondent shall furnish a copy of this Order to the psychiatrist as

authorization for the psychiatrist to make reports to the Board regarding Respondent's psychiatric evaluation and such other reports as the Board may request. Board staff may furnish to the approved psychiatrist any Board information which it determines in its discretion may be helpful or required for the evaluation and treatment of Respondent. Respondent's failure to cooperate with the psychiatrist or failure to follow the recommendations of the psychiatrist shall constitute a violation of this Order.

3. Respondent shall continue to receive care and treatment from Mark Voeller, Ph.D., Dallas, Texas, and shall see this psychologist as often as recommended by Respondent's psychiatrist. Respondent shall authorize and request in writing that the approved psychologist provide written periodic reports no less than quarterly during Respondent's treatment which reflect the status of Respondent's physical and mental condition, as well as Respondent's efforts at cooperation with treatment. Respondent shall authorize and request in writing that the approved psychologist immediately provide such other written or oral reports as Board representatives and staff may request regarding Respondent's care and treatment. Respondent shall follow all recommendations of the approved psychologist to the extent that the recommendations are consistent with the terms of this Order as determined by the Board. Respondent shall not unilaterally withdraw from treatment, and shall request and authorize in writing that the approved psychologist immediately report to the Board any unilateral withdrawal from treatment by Respondent. A copy of this Order shall be provided by Respondent to the approved psychologist as a reference for evaluation and treatment, and as authorization for the psychologist to provide to the Board any and all records and reports related to the evaluation and treatment conducted pursuant to this paragraph. Respondent shall execute any and all releases for medical records necessary to effectuate the provisions of this paragraph.

4. When requested by the Board or Board staff, Respondent shall provide to Board staff complete legible written reports regarding any aspect of Respondent's physical or mental condition and Respondent's compliance with the terms of this Order.

5. Respondent shall not unilaterally withdraw from the evaluation, care, or treatment required by this Order, and shall request and authorize in writing that Respondent's physician or any other individuals involved in Respondent's care and treatment immediately report to the Board any unilateral withdrawal from treatment by Respondent.

6. Respondent shall immediately notify in writing the Director of Compliance for the Board or a Board Compliance Officer upon discontinuation for any reason of any care and treatment required by the terms of this Order.

7. Respondent's unilateral withdrawal from evaluation, treatment, or medical care required by this Order shall constitute unprofessional and dishonorable conduct, a violation of this Order, and grounds for disciplinary action under the Act.

8. Respondent shall not perform psychotherapy on patients. For purposes of this Order, psychotherapy is defined as the "treatment of emotional, behavioral, personality, and psychiatric disorders based primarily upon verbal or nonverbal communication and interventions with the patient, in contrast to treatments utilizing chemical and physical measures."

9. Beginning no later than sixty (60) days from the effective date of this Order, Respondent's medical practice, including any office and surgical practice, shall be monitored by a licensed Texas physician approved in advance in writing by the Executive Director of the Board based on the monitoring physician's licensure status and history, general qualifications, area of specialty, business affiliation with Respondent, and specialty certifications and training. Respondent shall provide a copy of this Order to the monitoring physician and shall allow the monitoring physician random access to Respondent's patient medical records, patient billing records, and offices. The monitoring physician shall include but not be limited to the following activities as part of the monitoring process:

- a) On-site inspection of Respondent's medical practice no less than one time each month.
- b) Personal review of no less than 10% of the charts of patients seen during the current review period.
- c) Personal counseling of the Respondent of any perceived deficiencies.
- d) The monitoring physician shall provide quarterly reports to Board representative through the Director of Compliance for the Board on February 1, June 1, September 1, and December 1, and at other times upon the request of the Board representatives or Board staff. The report shall fully document the monitoring performed, any perceived deficiencies discussed with Respondent and any improvements observed.

Respondent shall follow the appropriate guidance provided by the monitoring physician. Any costs incurred by the monitoring physician shall be the responsibility of Respondent and shall not be charged to patients. To request approval of a monitoring physician, Respondent shall submit in writing to the Director of Compliance of the Board the names and practice addresses of at least three physicians who are willing and able to effectively monitor Respondent's office and surgical practice. The monitoring physician may be changed at any time by the Executive Director of the Board based upon good cause.

10. Within one (1) year from the date of the signing of this Order by the presiding officer of the Board Respondent shall complete a risk management course which has been approved in writing by the Executive Director of the Board. To obtain approval, Respondent shall submit to the Director of Compliance for the Board complete information on the courses or programs to include, but not limited to, course content and faculty. Documentation of attendance and successful completion of this requirement for this course shall be delivered to the Director of Compliance for the Board on or before the end of the first year this Order is in effect.

11. Respondent shall personally appear before a panel of Board representatives, at least one (1) time each year that Respondent is under the terms and conditions of this Order. Such appearances shall be for the purpose of reporting on and addressing issues related to Respondent's compliance with the terms and conditions of this Order.

12. To verify that Respondent has complied with and is in compliance with the terms and conditions of this Order, Respondent shall fully cooperate with the Board and the Board staff, including but not limited to, Board attorneys, investigators, compliance officers, consultants, and other such employees or agents of the Board in any way involved in investigation, review, or monitoring associated with Respondent's compliance with this Order. Failure to cooperate as required by this paragraph and the terms of this Order shall constitute a basis for disciplinary action against Respondent pursuant to the Act.

13. Upon request by the Board or a member of the Board staff, Respondent shall immediately execute, and provide as needed, any and all medical releases as may be requested by the Board or Board staff to obtain copies of medical treatment records of Respondent to include, but

not limited to, any such releases required to obtain treatment records of Respondent protected by 42 C.F.R. subchapter A, part 2, and any subsequent amendments. Failure to execute and provide such releases shall constitute a basis for disciplinary action against Respondent pursuant to the Act.

14. Respondent shall give a copy of this Order to all hospitals, nursing homes, treatment facilities, and other health care entities where Respondent has privileges, has applied for privileges, applies for privileges, or otherwise practices.

15. Respondent shall ensure that any inquiries which are made by any person or entity through any means to Respondent or Respondent's employees regarding Respondent's Texas licensure status are answered by accurate reference to this Order.

16. The time period of this Order shall be extended for any period of time in which Respondent subsequently resides or practices outside the State of Texas, is in official retired status with the Board, or for any period during which Respondent's license is subsequently cancelled for nonpayment of licensure fees. If Respondent leaves Texas to live or practice elsewhere, Respondent shall immediately notify the Board in writing of the dates of Respondent's departure from and subsequent return to Texas. Upon Respondent's return to practice in Texas or Respondent's relicensure, Respondent shall be required to comply with the terms of this Order for the period of time remaining on the Order when Respondent left practice in Texas, retired, or had his or her license cancelled for nonpayment of licensure fees.

17. Respondent shall comply with all the provisions of the Act and other statutes regulating the Respondent's practice.

18. Respondent shall inform the Board in writing of any change of Respondent's office or mailing address within ten (10) days of the address change. This information shall be submitted to the Verification Department and the Director of Compliance for the Board. Failure to provide such information in a timely manner shall constitute a basis for disciplinary action by the Board against Respondent pursuant to the Act.

19. Any violation of the terms, conditions, or requirements of this Order by Respondent shall constitute a basis for disciplinary action by the Board against Respondent pursuant to the Act.

20. The above-referenced conditions shall continue in full force and effect without opportunity for amendment, except for clear error in drafting, for 12 months following entry of this



Order. If, after the passage of the 12-month period, Respondent wishes to seek amendment or termination of these conditions, Respondent may petition the Board in writing. The Board may inquire into the request and may, in its sole discretion, grant or deny the petition. Petitions for modifying or terminating may be filed only once a year thereafter.

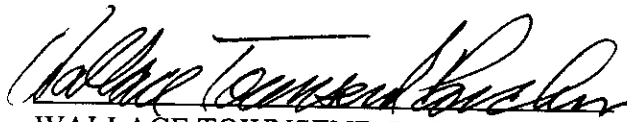
RESPONDENT WAIVES ANY FURTHER HEARINGS OR APPEALS TO THE BOARD OR TO ANY COURT IN REGARD TO ALL TERMS AND CONDITIONS OF THIS AGREED ORDER. NOTHING IN THIS ORDER SHALL BE DEEMED A WAIVER OF RESPONDENT'S RIGHTS UNDER STATUTE OR THE UNITED STATES OR TEXAS CONSTITUTIONS TO APPEAL AN ORDER OR ACTION OF THE BOARD SUBSEQUENT TO THIS AGREED ORDER EXCEPT AS RESPONDENT MAY HAVE OTHERWISE AGREED TO HEREIN. RESPONDENT AGREES THAT THIS IS A FINAL ORDER.

This Order supersedes all previous Orders of the Board.

THIS ORDER IS A PUBLIC RECORD.

I, WALLACE TOWNSEND-PARCHMAN, M.D., HAVE READ AND UNDERSTAND THE FOREGOING AGREED ORDER. I UNDERSTAND THAT BY SIGNING, I WAIVE CERTAIN RIGHTS. I SIGN IT VOLUNTARILY. I UNDERSTAND THIS AGREED ORDER CONTAINS THE ENTIRE AGREEMENT AND THERE IS NO OTHER AGREEMENT OF ANY KIND, VERBAL, WRITTEN OR OTHERWISE.

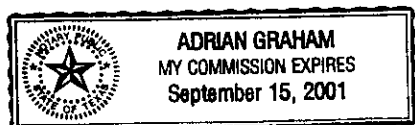
DATED: February 11, 1999

  
WALLACE TOWNSEND-PARCHMAN  
RESPONDENT

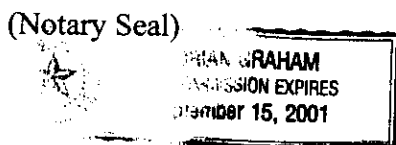
STATE OF Texas §  
COUNTY OF Den Fen §  
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BEFORE ME, the undersigned Notary Public, on this day personally appeared Wallace Townsend-Parchman, M.D., known to me to be the person whose name is subscribed to this instrument, an Agreed Order, and who after being by me duly sworn, on oath, stated that he executed the same for all purposes expressed therein.

Given under my hand and official seal and office this 11<sup>th</sup> day of February, 1999.



Adrian Graham  
Signature of Notary Public



Adrian Graham  
Printed or typed name of Notary Public

My commission expires: 9-15-01

SIGNED AND ENTERED by the presiding officer of the Texas State Board of Medical Examiners on this 10 day of April, 1999.

William H. Fleming, III, M.D.  
William H. Fleming, III, M.D.  
President, Texas State Board of  
Medical Examiners